

## **MINUTES**

### **VIRGINIA SMALL BUSINESS FINANCING AUTHORITY BOARD OF DIRECTORS MEETING - LOAN BUSINESS**

**May 27, 2003 - 11:00 A.M.**

**8<sup>th</sup> & Main Building, 3<sup>rd</sup> Floor Conference Room  
Richmond, Virginia**

- I. Voting members present: Andy Brownstein, Rick Brown, Jim Cheng, Hattie Hamlin, and Bob Young (for Jody Wagner).  
Others present: Mike Eisenman, Scott Parsons, Patty Thorne, Barbara Carter, Anna Mackley Cobb, Mark Heede, and Brett Sheffield.
- II. Approval of Minutes - On a motion by Rick Brown, seconded by Jim Cheng, the minutes of the April 22, 2003 Board of Directors Meeting were unanimously approved.
- III. Industrial Development Bond Project
  - A. Miltco, L.C. (Gaithersburg Cabinetry and Millwork Co. Inc.) - Fauquier County - \$1,600,000. Anna Mackley Cobb reviewed this request for the Board. On a motion by Rick Brown, seconded by Jim Cheng, the Board of Directors unanimously approved a final resolution authorizing the issuance of industrial development revenue bonds to finance the purchase and equipping of a manufacturing facility.
- IV. Economic Development Loan Fund Application
  - A. Dickenson County IDA - Dickenson County - \$250,000. Mark Heede presented this loan request to the Board. On a motion by Bob Young, seconded by Rick Brown, the Board of Directors unanimously approved a \$250,000 term loan through the Economic Development Loan Fund to purchase a medical center.

V. Administrative Matters

- A. Resolution to Approve and Authorize the Designation of Non-Discretionary Loan Authority to the Executive Director or His Designee - Scott Parsons presented this resolution to the Board. On a motion by Rick Brown, seconded by Jim Cheng, the Board of Directors unanimously approved the resolution as presented, but to include notification of approvals as well as declined loan requests. The Board also requested that staff provide monthly reports on balances of each fund and highlight certain funds (one or two) at each meeting. The monthly reports should include information on loans made, reserve fund, balance of fund, and a delinquency report.
- B. Review of June 30, 2002 APA Audit Report - Scott Parsons briefly noted that the audit report was included for the Board's review. The Authority is audited each year by the state auditor and has received a clean audit. After a short discussion of the report, the Board commended the staff on receiving a good audit.
- C. Ratification of Virginia Capital Access Program Claims - On a motion by Bob Young, seconded by Rick Brown, the Board of Directors unanimously approved the ratification of the payment of a claim under the Virginia Capital Access Program for the benefit of Wachovia Bank.

VI. Other Business

- A. Introduction and Approval of New Loan Program - VSBFA *Direct* - Scott Parsons introduced to the Board a new direct loan program. Mr. Parsons informed the Board of the need for a direct loan program to add flexibility to the state and federal funds of the Revolving Loan Fund Program, that the new program would cover the entire state, and the approval by the U. S. Economic Development Administration. A brief discussion ensued with a review of the terms/criteria of the program. On motion by Jim Cheng, seconded by Rick Brown, the Board of Directors unanimously approved to establish the VSBFA *Direct* loan program as presented.

Chairman Brownstein then requested at the next meeting that staff report to the Board the marketing plans for all of the loan programs and suggestions for Board members to help assist staff market the programs to qualifying businesses.

- B. Update on Environmental Compliance Assistance Fund (ECAAF) - Mark Heede updated the Board members on the status of the funding for the ECAAF program. The fund now has \$330,000 to lend to qualified businesses and the Board was asked to help get applicants to apply for the remaining funds.
  - C. DBA Quarterly Seminar - Scott Parsons reminded Board members of their invitation to attend the upcoming Economic Development Seminar on June 4, 2003 in Herndon. The seminar will focus on small, minority, and women-owned businesses.
- VII. Adjourn - On a motion by Rick Brown, seconded by Jim Cheng, the meeting was adjourned.